

PHOENIX EAST II ASSOCIATION
Annual Homeowners Meeting
September 22, 2025 – 9:00 AM

Board Members:

Board President: Susan Morton
Vice President: Ed Robicheaux
Secretary/Treasurer: Vacant

Director: Jim Feeney
Director: Ashley Sullivan

Gulf Corp Services Representatives:

Randy Wood, CEO Gulf Corp Services
Ricky Johnson, Association Manager
Jonathan Carroll, Facilities Manager

Emily Holcomb, Association Assistant

Brett/Robinson Representatives:

Sam Stacy, IT Network Tech
Rosie Kellett, Service Desk Manager

Chad Eudy, IT Network Tech
Bill Brett, CEO Brett Robinson

Guests:

Steve Chiepalich, CPA
Mark Phelps, SecureVision - Executive VP of Sales
JoLee Usry, SecureVision – Account Manager
Robert Kleban, SecureVision- CEO

CALL TO ORDER

Board President Susan Morton called the meeting to order at 9:04 AM
from the Phoenix East Meeting room in Orange Beach, Alabama.

CERTIFICATION OF QUORUM

Ricky Johnson certified a quorum of 55.14% of owners participating by physical attendance or the submission of a proxy, allowing the Association to conduct business.

RECOGNITION OF ATTENDEES

Board President Morton recognized the owners attending physically and by Zoom. Ricky Johnson introduced the Gulf Corp Services employees and Brett Robinson employees present for the Annual Meeting.

APPROVAL OF MINUTES

MOTION: *Jason Acree, Unit 2154, made a motion to approve the annual minutes of September 21, 2024, as submitted. Lacie Brady, Unit 2144, seconded the motion. The motion carried unanimously.*

BOARD PRESIDENT COMMENTS

Board President Morton

A. Insurance Settlement and Financial Recovery

- After a prolonged negotiations with the insurance company regarding the hurricane Sally settlement, the Board successfully negotiated a \$3.2 million settlement through mediation.
- From the settlement funds:
 - \$2 million was paid to RS Allen/Gecon Construction for completed construction work. All outstanding contractor disputes and payment for the new roof are satisfied.
 - 500,000 was used to pay off the association's line of credit.

- The remaining \$550,000 is being used for the waterproofing of the building, which is currently in progress. This project is essential to maintain the building's structural integrity.

- The Board prioritized financial stability and long-term protection of the property over the cost of continued litigation.

B. Building Condition Assessment and Capital Planning

- The Board is actively engaged in evaluating the building's current condition and planning for future capital needs to ensure long-term sustainability.
- A Reserve Study is currently being pursued to establish a comprehensive inventory of building components and assist in prioritizing future repairs and replacements.
- A \$550,000 waterproofing project is currently underway to ensure the building's structural integrity.
- The Board has reinstated the Capital Reserve Assessment, originally paused due to COVID-19 and Hurricane Sally, with three remaining payments of \$400,000.

C. Background on the Door and Window Assessment:

- At the 2019 Annual Meeting, ownership approved a 4-year special assessment of \$400,000 annually to fund a comprehensive Door and Window Replacement Project.
- The unit sliding glass doors were replaced along with many of the fixed south side windows. The Board attempted to include the damages in the insurance claim process and was ultimately denied stating that it was preexisting damage.
- The total cost that was paid covered the replacement of sliding glass doors and the conversion of select windows to fixed panes was approximately \$1.7 million. All work window replacement work completed to date has been paid.
- A recent evaluation identified 39 additional fixed pane windows that require replacement.
- A Fall inspection is planned to catalog all remaining window and door deficiencies across the 72 units.

Question: Connie Butts, (Unit 2063) asked whether owners could receive a copy of the summary page or mediation report outlining what the insurance company agreed to pay for?

Answer: Susan, Board President confirmed that owners may request a copy of the summary page or mediation report if they would like one.

Question: Leonard Koglin, (Unit 2042) asked if, since the assessment was paused, the remaining installments originally intended for the windows and doors would still need to be paid?

Answer: Susan, Board President responded that the assessment was paused in 2020 due to CoVID-19, and only one of the four scheduled payments was requested.

Question: Charles Bush, (Unit 2055) asked whether his unit would receive a new sliding glass door, noting that a south-side sliding glass door had been installed in his unit as a trial?

Answer: Susan, Board President explained that some of the original sliding doors would need to be replaced with a fixed-pane windows.

Comment: Ricky Johnson, Association Manager, stated that some of the fixed windows were not replaced during the sliding glass door project. Facilities staff will conduct a fall inspection to identify the affected units.

Question: Martha Bosworth, (Unit 2145) asked if only one payment had been made toward the 4-year \$400,000 Capital Reserve Assessment?

Answer: Susan Morton, Board President, confirmed that only one payment has been received from the owners for the Assessment.

Comment: Ricky Johnson, Association Manager, noted that prices for the replacement of doors and windows have increased significantly since the original assessment. The Board decided to wait until the insurance settlement was finalized before determining if there was a need capital assessments.

Question: An owner asked if the sliding glass doors had been fully paid for?

Answer: Ricky Johnson confirmed the material and labor cost for installation of all sliding glass doors and fixed windows completed to date was paid. A portion of the proposed Capital Assessment noted within the 2026 budget is to cover the cost of the fixed glass windows that had not yet been purchased and installed.

Question: Jason Acree, (Unit 2154) asked what the remaining scope is of work is for the Pheonix East II building?

Answer: Susan Morton, Board President, stated that the Board is conducting a complete fact-finding process, including obtaining bids and seeking a comprehensive Reserve Study to identify and prioritize necessary projects. At this time, known items include replacement of fogged and fixed windows as well as waterproofing of the walkways.

Comment: Michael Craft, (Unit 2035) stated that his unit was supposed to receive the fixed window after the hurricane but still has not been completed.

Response: Susan Morton, Board President, confirmed that unit 2035 is one the list of units still needing fixed window replacement.

Question: Leonard Koglin, (Unit 2042) asked what the overall condition of a 30-year-old building and, on a scale of 1 to 10, where Pheonix East II would currently fall?

Answer: Susan Morton stated some on the Board are saying that it rates 5 out of 10 as the building does require substantial infrastructure investments over the next 5-10 years.

Remark: Ricky Johnson requested that owners submit any needed repairs to either himself or Emily Holcomb in the Association Office so the items can be tracked and addressed going forward.

Question: An owner asked what the top structural integrity priority is for the building?

Answer: Susan, Board President, stated that the Board's number one priority is to waterproof the walkways and balconies. To fully waterproof the building and ensure that no water is penetrating the concrete, the tile will need to be removed from all balconies.

Question: Connie Butts, (Unit 2063) asked if the Board could send an email to owners to notify them of upcoming projects or provide a plan in advance?

Answer: Susan Morton, Board President, stated yes, and added that they would explore the possibility of using a dashboard where owners could view projects and track their status.

Question: Sarah Collins, (Unit 2103) asked whether the balcony tile was the responsibility of the owner or the Association to remove, and if waterproofing the building would reduce the insurance premium?

Answer: Susan, Board President, stated that, according to the governing documents, tile was not supposed to be installed on the balconies. Therefore, owners are responsible for removing the tile and preparing the balcony to paint ready condition.

Comment: An owner noted that their unit had tile when they purchased.

Response: Susan, Board President stated that the Board would explore pricing options to see if a discounted or more competitive rate could be obtained if multiple units used the same company.

Comment: Ricky Johnson, Association Manager, stated that the Association has the responsibility for maintaining the structural integrity of the building. He added that accomplishing major projects such as waterproofing, a new roof etc. This also makes Phoenix East II more appealing to a greater pool of carriers in the insurance marketplace during time of insurance renewal.

FINANCIAL REPORT 2025

- A. Audit Report:** Steve Chiepalich, CPA, stated that Smith, Dukes and Buckalew performed the 2024 audits, which went well with great support from Gulf Corp Services. No issues were found. Only one unit remains delinquent.
- B. 2026 Budget:** Mr. Chiepalich noted that dues would remain the same, with no increase reflected for 2026. Account 5023 reflects an Operating Assessment of \$547,580 due January 1, 2026, which would help fund the insurance premium along with any other operating expenses. A key revenue source, Account 5075, Service Fee Income, reflects \$126,000, which is money paid by guests when purchasing parking passes. Steve noted the three major operating expense line items: personnel costs, utilities, and insurance which make up approximately 80% of the budget. There is a Capital Assessment proposed in the amount of \$400,000 with a due date of October 1, 2026. This is reflected

on Account line item 6009. Additionally, there is a \$76,000 Capital Contribution noted within the proposed 2026 budget. This represents 10% of the association dues, which is required by Federal Housing Administration rules for lending purposes. Failure to meet this requirement could disallow access to government backed loans, negatively impacting sales.

MOTION: *Jason Acree, unit 2154, made a motion to adopt the 2026 budget which includes the \$400,000 Capital assessment and Operating assessment as presented. Judy Craft, unit 2035 seconded the motion. The motion carried unanimously.*

Question: Richard Holston, (Unit 2085) asked if the grid listed on the next page was a breakdown for each unit for the assessment?

Answer: Steve, CPA, confirmed that the next two pages in the packet reflect the grid with the breakdown for each unit and the corresponding due date.

Remark: Susan, Board President, stated that the Board chose to implement an Operating Assessment instead of increasing dues. This assessment covers all operating expenses, including the insurance premium.

Question: Sarah Collins, (Unit 2103 Zoom) asked if the Operating Assessment was included in the 2026 Proposed Budget?

Answer: Steve, CPA, stated that the Operating Assessment is included on line item 5023 under the Operating Revenue on the 2026 Proposed Budget.

Question: Melanie LeBlanc, (Unit 2114) asked if assessments would be expected moving forward?

Answer: Susan, Board President, stated that after the inspection and Reserve Study are completed, it will be determined whether future Capital assessments are needed for the upkeep of the building.

Question: Leonard Koglin, (Unit 2042) asked if the insurance premiums were starting to come down?

Answer: Susan, Board President, stated that the Board meets with the insurance agent on October 9th, and the agents indicated that insurance premiums are beginning to decrease.

Comment: Lytis Davis, (Unit 2083) stated that the insurance industry is driven by global disasters such as fires, hurricanes and storms, which affect the market. He added that the repairs completed at Phoenix East II and the resolution of litigation will help when the insurance coverage goes out for renewal.

ELECTION OF DIRECTORS

Board President Susan Morton introduced the board. She recognized all the hard work that they had put in to keep the building operational. She noted that three positions were open on the board. Jim Feeney's term was expiring, and he was not seeking re-election. Ed Robicheaux's term was expiring, and he was running for re-election. Jimmy Sims sold his unit and his position is open. Stacey Feeney (2061) submitted a candidate form to run for the board. Susan Morton opened the floor for nominations. With no nominations submitted from the floor Susan requested a motion to close nominations.

MOTION: *Jim Feeney, 2061, made a motion to close the floor for nominations and re-elect Ed Robicheaux and Stacey Feeney by acclamation. Lacie Brady, 2144, seconded the motion. The motion carried unanimously.*

OLD BUSINESS

A. Rules and Regulations:

- The Rules and Regulations have been updated and provided to owners for review. A one-page summary of the Rules & Regulations will also be given to guests staying at the property*.

B. Wristbands:

- New owner wristbands have been received and are available for pickup at the Association Office. The number of wristbands issued to each owner is based on the number of bedrooms.

C. Gate

- This is a joint project between Phoenix East and Phoenix East II to install a gate that will help prevent trespassers from parking in the parking lot and accessing the pools and boardwalk to access the beach. Both associations have approved the installation of the gate on their respective sides.

D. Lobby

- The lobby has been refreshed by updating plants and pots and painting the coffee bar and some furniture. All improvements were completed while staying under the \$500 budget.

E. Waterproofing of exterior of Building

- IC Coatings is currently in the process of waterproofing the building's exterior.
- The water feature that was in the front entry, which had stopped working years ago, has been removed along with the tile on the wall. IC Coatings will patch and repair the wall to improve its appearance.

F. Rental Management

- Brett Robinson agreed to pay \$35,000 a portion of the Association Management Agreement if they could acquire three more units on their rental program, which would benefit the Association.

Comment: Barney Daigle (Proxy holder for Alfred Diagle Unit 2024) noted that he is owner and Board member at Phoenix East. He explained that Phoenix East and Phoenix East II share certain amenities, including the splash pad, racquetball court, and Service Desk (all on Phoenix East property at no cost). He also noted that Phoenix East allows Phoenix East II to use the meeting room at no cost. However, some Phoenix East guest had been escorted from the Phoenix East II pool preventing shared use of amenities.

Response: Susan, Board President, stated that there is an agreement to share certain amenities, including the racquetball court and splash pad, with costs split between the two association for the splash pad upkeep. Pools were never included as shared amenities. The Service Desk is not considered an amenity; it is a Brett Robinson-deeded area, for which they pay dues and use them to check in with their guests.

Comment: Jim Feeney, Board Director, stated that this issue would need to be addressed between the two Boards, not the Phoenix East II Owner Annual Meeting.

MOTION: *Barney Daigle, 2024, made a motion to split the cost between the Phoenix East and Phoenix East II Associations and allow guests to share all amenities.
With no second to the motion, the motion died.*

NEW BUSINESS

A. SecureVision Upgrade TV and Internet -Mark Phelps, Executive VP of Sales- SecureVision

• **Internet:**

- Upgrade will provide a 10X speed improvement, from 100 Mbps to 1 Gbps.
- Will be installing new switches, access points and mesh networking equipment.

• **TV:**

- Existing set-top boxes will be replaced with Wally devise that can be mounted on the back of the TV.

• **Installation:**

- Each unit requires 1-2 hours of access.
- Scheduling will occur between not and December.

Question: Owner asked if the internet speed would affect the type of TV in the unit?

Answer: Mark, SecureVision, stated that the type of TV will not be affected. Owners will not need to purchase new smart TVs for the TV service to work.

Comment: Leonard Koglin, (Unit 2042) noted that he has already upgraded his unit with mesh internet equipment.

Response: Mark noted that SecureVision would be installing the most recent mesh equipment in the units to ensure optimal performance for both TV and internet services.

Question: Geraldine Schaffer, (Unit 2111) asked why owner cannot just stream using apps instead of cable, given that the Association is upgrading the internet speed?

Answer: Mark stated that owners can stream if they prefer, but the Association has a contract to provide TV channels to all units.

Question: Geraldine Schaffer, (Unit 2111) noted that there is an app on the TV that can be used to watch TV.

Answer: Mark, SecureVision, stated that apps are more expensive per unit. The Board negotiated a deal to maintain the same service for all units, and some guests may not be tech-savvy enough to use apps effectively.

Comment: JoLee, SecureVision, noted that the new Wally devices being installed for TV services are smaller and can be mounted on the back of the TV, keeping them out of the way.

Remark: Stacey Feeney thanked SecureVision, stating that their call desk was able to patiently walk her parents through using the equipment and provided excellent support.

RATIFY ACTIONS OF 2025 BOARD

MOTION: *Jim Feeney (2061) made a motion to ratify the actions of the 2025 Board. Amelia Broussard (2084) seconded the motion. The motion carried unanimously.*

QUESTION: Amelia Broussard, (Unit 2084) asked if the contractor would need access to the balcony during the waterproofing project?

Answer: Ricky, state that the contractor will by stacks and will access units using the swing station to paint the balcony walls and ceilings.

Question: Connie Butts, Unit 2063, asked if the unit doors would be painted?

Answer: Susan, Board President, stated that IC Coatings would be sanding down and repainting the doors along with recoating the building.

Question: An owner asked if sanding and painting the doors would eliminate rust and how long it would last?

Answer: Ricky Johnson, Association Manager, stated the contractor will sand and paint the doors; however, due to the environmental conditions, rust will likely reappear over time. The only long-term solution would be to replace the doors with composite or fiberglass doors, which are more expensive but more durable.

Question: Lytis Davis, (Unit 2083) asked about the humidity in stacks 1 and 2?

Answer: Susan, Board President, explained that stacks 1,2, and 3 are not open like other stacks for air to blow through, because a glass wall front the master bedroom limits airflow. As a result, humidity from dryer vents does not dissipate properly. The Board is working with Glass Systems on potential solutions. This project is estimated at around \$36,000, so they plan to test it in one unit before proceeding. Additionally, the Board is exploring options for a company to clean dryer vents, potentially at a discounted rate if multiple owners participate.

Comment: Bill Brett stated that Brett Robinson inside maintenance could clean out the dryer vents as well if owners would like to schedule with them.

Remark: Ricky Johnson suggested to owners when purchasing a new dryer ask the sales associate about a long vent dryer which are made to handle long vent line runs before reaching the outside discharge point.

Question: Lytis Davis, (Unit 2083) asked if the rules and regulations would be shared with guests?

Answer: Susan, Board President, confirmed that a one-page summary of the rules will be posted for guest.

Comment: Lytis Davies, (Unit 2083) stated that smoking on the balconies continues to be an issue. Security does not have the staff or authority to consistently enforce the rules with guests and owners. Additionally, some owners are placing furniture in common areas when they no longer want it in their units.

Remark: Regarding balcony smoking, door cling signs stating No Smoking will be placed on every unit sliding glass door to ensure guests are aware of the policy.

Remark: Bill Brett responded that if the Association wishes, hiring armed security is an option. Gulf Corp Services aims to keep security costs down; their employees do warn guest and., if issues persist, may eject them. He noted that locating the source of smoke can be challenging. A labor sheet in the packet outlines the building security schedule and shifts, which is a shared cost with Phoenix East.

ADJOURNMENT

MOTION: *Jason Acree (2154) made a motion to adjourn. Jim Feeney (2061) seconded the motion. With no further business to discuss, Board President Morton adjourned the meeting at 11:53AM.*

APPROVED
Minutes 09-20-2025 eh

DATE

PHOENIX EAST II ASSOCIATION
Annual Homeowners Meeting
September 21, 2024 – 9:00 AM

Board Members:

President: Jimmy Sims

Vice President: Ed Robicheaux

Secretary/Treasurer: Dr. Bill Lord (absent)

Director: Jim Feeney (absent)

Director: Susan Morton

Gulf Corp Services Representatives:

Randy Wood, CEO Gulf Corp Services

Ricky Johnson, Association Manager

Scott Lawson, Facilities Manager

Jason Anderson, Facilities Operations Manager

Emily Holcomb, Association Assistant

Brett/Robinson Representatives:

Sam Stacy, IT Network Tech

Rosie Kellett, Service Desk Manager

Guests: Steve Chiepalich, CPA

CALL TO ORDER

President Jimmy Sims called the meeting to order at 9:01 AM
from the Phoenix East Meeting room in Orange Beach, Alabama.

CERTIFICATION OF QUORUM

Ricky Johnson certified a quorum of 58.78% of owners participating by physical attendance or the submission of a proxy, allowing the Association to conduct business.

RECOGNITION OF ATTENDEES

President Sims recognized the owners attending physically and by Zoom. Ricky Johnson introduced the Gulf Corp Services employees and Brett Robinson employees present for the Annual Meeting.

PRESIDENT COMMENTS

President Sims noted that the Capital Reserve funds were low and went over some of the big items that had to be replaced due to emergency. One of the grinder pumps had to be replaced as the building only has two and if the other one had gone out the building sewage system would have been completely shut down. Fire pressure pump had to be replaced. Mr. Sims noted that the Capital Reserve had improved from last year.

APPROVAL OF MINUTES

MOTION: *Jason Acree, Unit 2154, made a motion to approve the annual minutes of September 23, 2023 as submitted. Gary Broussard, Unit 2084, seconded the motion. The motion carried unanimously.*

FINANCIAL REPORT

- A. Summary:** Steve Chiepalich, CPA, stated that the insurance claim was still outstanding for Hurricane Sally. Association had made some repairs to include a new roof and replaced some damaged sliders which had depleted some of the reserves.
- B. 2023 Audit Report:** Steve Chiepalich, CPA, stated that Smith, Dukes and Buckalew performed the 2023 audit, which went well with great support of Gulf Corp Services. No issues found and taxes were filled on time. No taxes were due in 2023.
- C. 2025 Budget:** Mr. Chiepalich noted that account 5010 reflected 15% dues increase which would become effective on January 1, 2025. Account 5016 reflected an insurance assessment of \$550,000 for the projected January 2025 insurance premium. Mr. Chiepalich did state that insurance premiums are starting to trend down from last year as the market is beginning to soften. A valuable revenue

source from account 5075 Service Fee Income does reflect a \$120,000 of which the guest pays when purchasing parking passes. Under the Reserve Contribution there is a capital reserve assessment for \$76,000 due October 1, 2025 reflected on account 6007. 10% of the amount of the association dues is required by Federal Housing Administration rules in order to lend money for refinancing or new loans. If the association does not meet this requirement, then it can be disallowed from government backed loans which would have a negative effect on sales. The 2025 budget reflects a \$7,000 profit and a proposed balanced budget.

Question: Owner asked about account 8000 interest expenses.

Answer: Mr. Chiepalich, stated that it was for the interest paid on the line of credit taken out after Hurricane Sally in order to make repairs.

Question: Owner asked if insurance going to be back charged part of that interest from the insurance company for delaying the claim?

Comment: Jimmy Sims, stated that some of this was included in the original claim. Claim was put in two years ago they did calculate some of the interest into that claim, but not all of it. That this is the first item the board plans to pay off. The line of credit is prime interest loan, which causes the interest rates to go up and down. In 2021 interest was around 5%. Now it is around 10%. This is one of the reasons it was under estimated on the 2024 budget because it is a variable rate.

Question: Owner asked if the \$498,000 on the balance sheet account 3013 was for the line of credit?

Answer: Mr. Sims, Board President, yes, that was for the line of credit which was used to replace sliding glass doors damaged from Hurricane Sally along with funds from the Capital Reserve account.

Question: Owner asked the amount of the line of credit.

Answer: Mr. Sims stated it was \$500,000.

Question: Owner asked about line item 7120 water and if the rates had doubled from last year?

Answer: Debbie Robinson, Gulf Corp Services Accountant, stated that Phoenix East II had been getting a large break in the water rate for several years. The association recently received a letter from the water authority regarding a major error in the water readings. The previous rate was being factored incorrectly. This resulted in the association being billed much less than they should have been. They indicated the error had been corrected. The association is not liable for the previous under billing.

Comment: Mr. Sims, stated that the previous water bills was 1/10 of what it should have been.

Question: Lytis Davis, (2083), Looking at the budget I'm not seeing anything that raises any red flags, but looking at the \$1.4 million budget with 72 units that breaks down to \$19,750 per unit for spending. Is that number in line with other buildings? Is there anything else on the budget we need to look at?

Answer: Mr. Chiepalich, yes, with a small building like Phoenix East II you don't get the economy of scale like some of the other bigger condominiums. Phoenix East II is in line with other properties along the coast. Three items that make up 80% of the budget are insurance, facility labor and utilities.

Comment: Lytis Davis, (2083), stated it was a shame that association is having to pay 40% of the budget toward insurance.

Comment: Ricky Johnson, Association Manager, stated how to determine were Phoenix East II falls compared to other condominiums, and best way to figure how much you pay is by deeded space you as owners pay. Phoenix East II, prior to the proposed dues increase is a bit below average on dues per sq ft., when compared to other Phoenix buildings. If the budget is approved with the dues increase it is going to put you slightly above average rate per sq ft. He indicated that some associations in the past have chosen to suppress the dues and have operating assessments.

Comment: President Sims, stated that up until a few years ago the association has had to have an assessment every year just to meet the budget, because the dues were not where they should be. Board has not elected to raise the dues to cover the insurance thinking the price may come down.

Question: Owner, asked if revenue from a guest usage fee.

Answer: At this time there are 48 units that are rented in the building at this time. We don't want to price ourselves out of the market by charging too many fees.

Comment: Ricky Johnson, stated that the association does have vending and there are a few other buildings managed by Gulf Corp Services that charge a little higher parking fee than Phoenix East II. By increasing the parking pass fee more revenue could be generated.

Comment: Jimmy Sims, stated Brett Robinson has stated that if they had a certain number of units on their rental program, they would absorb some of the management fee, which is around \$36,000 a year.

Question: Tzee-Lu, (2125), asked if the association designated part of the owners designated parking and made it VIP parking and charged more to guest it might generate more revenue.

Answer: Jimmy Sims, stated that is a good question and the board would take that under consideration.

Question: Lytis Davis, (2083), asked if unit owners that rent pay a higher fee for wear and tear to the building?

Answer: Ricky Johnson, stated that there is an association that has implemented a wear and tear fee that is charged annually to the owners that rent their unit; however, there are potential legal issues with implementing such an action.

Comment: Jimmy Sims, stated there are some legal issues in the past where rental units were charged a higher fee. The association did away with that because of some laws and regulations being changed. It may be something we can check into.

Comment: Owner thanked the board for all their hard work.

Question: Mr. Bush, (2055), Asked if once the insurance fees go down and things change for the Association financially are some of the assessments or fees going to be reduced or go away?

Answer: Jimmy Sims, stated that one of the items that could go away is that second assessment if the Association can get enough revenue built up in the reserve.

MOTION: *Lytis Davis unit 2083, made a motion to adopt the 2025 budget and assessments as presented. Ashley Sullivan, unit 2123 seconded the motion. The motion carried unanimously.*

Question: Leonard Koglin, (2042), Asked Mr. Davis who has owned his condo for many years if he had seen anything like this before with the insurance prices going so high?

Answer: Lytis Davis, (2083), stated that he has never seen a reaction like this in the insurance market place.

Comment: Jimmy Sims stated that the contractors are even having a hard time being paid by the insurance companies. Association did experience a fluctuation after Ivan with insurance premiums.

Comment: Marty Bosworth, (2145), stated that after Ivan they paid an assessment of \$20,000 and the building was reopened in three months.

Comment: Tommy Robinson, (2005), Stated that Brett Robinson just built a new condominium and turned around 18 months later with the same exact floor plan and structure and it cost double the price.

Comment: Jimmy Sims, stated that Gulf Corp Service has presented their new management agreement and have kept the price as low as possible.

Comment: Lytis Davis, (2083), Stated that we have 72 units. The real estate value is probably around \$50 million.

Comment: Jimmy Sims the Building value determines the insurance premium. Alabama requires the building be insured at a minimum of 80% of its value.

ELECTION OF DIRECTORS

President Jimmy Sims introduced the board and the staff. He recognized all the hard work that they have put in to keep the building operational. He noted that two positions were open on the board. Dr. Bill Lord's term was expiring and was not seeking re-election. Susan Morton's term was expiring and she

was running for re-election. Ashley Sullivan (2123) submitted a candidate form to run for the board. Jimmy Sims opened the floor for nominations. With no nominations submitted from the floor Jimmy requested a motion to close nominations. Jimmy asked Ashley Sullivan to tell the owners about himself.

- Ashely Sullivan- (2123) Wanted to learn more about the building. He has been on various Board of Directors for companies and non-profits.

MOTION: *Lacie Brady, 2144, made a motion to close the nominations and re-elect Susan Morton and elect Ashley Sullivan to the board of directors. Marty Bosworth, 2145, seconded the motion. The motion carried unanimously.*

OLD BUSINESS

President Sims gave an overview of the Insurance claim for Hurricane Sally. Mediation was pushed back after adding additional storm damage claims to the previous claim which is now scheduled for October 2, 2024. If the association is unable to come to an agreement with the insurance company arbitration is scheduled in New York in February 2025.

Question: Lytis Davis, (2083), Asked what the total claim that was presented to the insurance company?

Answer: Jimmy Sims, stated that the claim was adjusted back in May 2024 and is now around \$10.8 million.

Question: Mr. Koglin, (2042) asked once money was received from the insurance claim how much needs to be spent to finish the repairs?

Answer: Jimmy Sims, stated it would take \$4 to \$5 million for the bare minimum 2 years ago, but now the prices for material have gone up. Around \$10 million to address everything from balcony railings, windows, A/C units, resealing of the building and elevator repairs after getting wet from Hurricane Sally. Once the insurance funds are received the board will prioritize which items need to be addressed first.

Question: Marty Bosworth, (2145) Asked if there was a potential to have storm restoration in this budget for any upcoming storms?

Answer: Jimmy Sims, no there is nothing in the budget for future storms at this time.

Comment: Lytis Davis, 2083, encouraged the board if we do get money from the insurance claim to go ahead and get contracts in place for the work that needed to be done.

NEW BUSINESS

A. TV and Internet (Susan Morton, Board Director)

- **Internet:** Have spoken to CSPIR and Yellowhammer about getting fiber optic run to the building. Received quotes from both for fiber optic and DirecTV. Current contract with SecureVision does not expire until December 2025.
- Both of the companies offered to absorb the cost to run the fiber to the building and to the unit and would require a contract. Will be reaching out to both companies closer to time to negotiate and compare contracts to determine the best option.

Comment: Jimmy Sims stated that SecureVision is the current internet and TV provider if you call and let them know you're having issues they will come out and take care of the problem.

Comment: Susan Morton, Board Director, stated that SecureVision came out stated my unit had the most updated router, so I went online and bought a Net Gear Mesh Extender, which has helped.

Comment: Leonard Koglin, (2042), stated that if you purchase a new router and net extender it does make a difference on the internet speed.

B. Rules and Regulations (Ed Robicheaux- Board Director)

- Current Rules and Regulations were written 20 years ago.
- Working with Gulf Corp Services to bring the rules and regulations up to date in order to protect the building and for safety reasons.
- Will be sending out a copy of the updated rules and regulations once they are complete for owner's review.
- Putting together a one page set of rules to give to guest when they check in and purchase a parking pass.

Comment: Ed Robicheaux, Board Director, encouraged owners to maintain their units and keep them up to date for guest and reviews on the building.

Question: Leonard Koglin, (2042), asked why there was not a front desk at Phoenix East II?

Answer: Ricky Johnson, Association Manager, stated that originally Phoenix East II did have a front desk around 2004 an agreement between Brett Robinson and the Board to remove the desk. That space can be converted back into a desk at any time as that was part of the agreement.

Question: Leonard Koglin, (2042), asked if there were any other buildings along the beach that are just for owners only and do not rent their units out?

Answer: Jimmy Sims, stated yes there are a few of associations that do not rent condo units.

Comment: Ricky Johnson, Association Manager, stated that if you go to a private condominium and do not rent have higher expenses as you do not receive any revenue from guest like beach services and parking passes. Only way to pay the bills is to raise HOA dues and Special Assessments.

Comment: Dominique Rattner, (2073), stated that the value of the non-rental buildings drops in the market place there is a district value on the building that allow rentals and the ones that do not.

C. Security and Custodial (Jimmy Sims)

- Spoke to Gulf Corp Services regarding the security and custodial concerns at the building.
- Security will be focusing on parking and wristbands. Unforuntly, we do not have security 24 hours a day. During the peak season there is more security patrolling both properties Phoenix East and East which split the cost.
- Gate is not maned during off season.

Question: Lytis Davis, (2083), asked the board if the lobby could be redecorated?

Answer: Susan Morton, Board Director stated yes, she would be happy to take that project on.

Question: Leonard Koglin, (2042), stated that there is an American flag hanging from the balcony railing was not sure if that was in the rules and regulations?

Answer: Randy Wood, CEO Gulf Corp Services, stated that there should not be any items hanging on the balconies.

D. Parking Passes (Jimmy Sims)

- Board discussed issuing new parking passes to owners and changing out the color to control parking passes from anyone that may have obtained one in the past from using them.
- Two parking passes will be issued per unit. Owners will be required to sign for them at the Service Desk.
- Will be sending out notification to owners when the new passes come in and are available.
- Parking passes are intended for owners and immediate family only not to be given to renters.

Question: Sarah Kuo, (2125), Asked if the issue with trailer parking had been resolved and if they have to pay a parking fee as well?

Answer: Jimmy Sims, yes, there is a fee to park boat trailers and this is for short term parking only, not for long term parking. Intention is for it to be used for guest and owners while they are staying at the building. Board is working on identifying who the trailers belong to have them moved.

Comment: Owner stated that one of the boat trailers was his and that he was not aware of any rules regarding how long a trailer could be parked. Down at the unit every couple of weeks and use the trailer to move the boat.

Comment: Ed Robicheaux, Board Director, stated that boat trailer parking would be addressed in the new rules and regulations.

Comment: Jimmy Sims, stated that identification bands are located at the service desk that should be placed on the trailer that will need have unit number, name, and phone number.

Question: Gary Broussard, (2084), asked if an owner could purchase an additional parking pass and if so, how much it would cost?

Answer: Jimmy Sims, stated that each unit is only allowed two parking passes. If you needed to buy anything beyond that you would need to purchase a temporary pass which is what the guest purchase there is no discount at this time for owners.

Question: Jose Delgado, (2101), asked if the building security was a private company and who trains them?

Answer: Randy Wood, CEO Gulf Corp Services, there is one Security Director with three shift managers. First, second and third shift officers are Brett Robinson employees that patrol both Phoenix East and Phoenix East II. Seasonal positions who are here for 25 weeks are contract employees. Security is providing post training notify them of the building rules and items they need to address and enforce. How to escalate situations and handle issues.

Question: Jose Delgado, (2101), Are they trained by ex-cops?

Answer: Randy Wood, CEO of Gulf Corp Services, Security is licensed in State of Alabama. They are trained to deescalate issues should the arise. They are there to ensure that the rules are being followed in order to keep it a guest friendly environment.

Question: What do you do if someone is smoking marijuana?

Answer: Randy Wood, CEO Gulf Corp Services, if you will notify the service desk or security so that we can address the issue. Will make guest or owners aware of the rules and if they are repeat violators will address if they need to be removed.

Comment: Jimmy Sims, security has been asked to enforce the wristband for both owners and guest. Board is looking at installing a gate with an access code for the swimming pool area. Owner of the properties across the street have informed their guest that they have access through our property to the beach. Asked Gulf Corp to check and see if there is any record of deeded easements if not may be installing a coded access gate as well. Looking at putting up some shrubbery by the shared walkway in between the buildings to discourage Phoenix East owners and guest from using the pool area when visiting the splash pad.

Question: Mr. Delgado, (2101), asked if someone was responsible for cleaning the hallways on each floor and if there were any known issues with wildlife in the bushes by the pool area?

Answer: Jimmy Sims, stated that there are some cats and raccoons, but was not aware of any major problems.

Comment: Scott Lawson, Facilities Manager, stated that there is only one custodial worker for Phoenix East II. Duties are to sweep each floor and deep clean 3 floors every day, clean the common area bathrooms, basement, elevators, and lobby.

Comment: Amanda Woods, 2094, asked the owners to give the staff words of encouragement and compliment them a little more.

Comment: Jimmy Sims, asked owner to let the Facilities Manager know if you have any concerns so that they can be addressed. Will be working on putting up signage around pool area to help avoid people that are not guest or owners from using the pool. To add additional security to the pool area will cost the association more money.

Question: Owner asked if there were security cameras and if so, what was the quality cameras and retention time on the cameras?

Answer Jimmy Sims, stated that currently there are 16 cameras pointed at the building to help catch those not following the rules and deter bad behavior. Shift Supervisor can review camera footage for up to 30 days.

Question: Jason Acree, (2154), Asked about the beach access mats and if this was something the board was still considering?

Answer: Jimmy Sims, stated at this time the associations has not had the funds to purchase them. Have talked about purchasing some used mats from Mobi Mat.

Question: Jason Acree, (2154), asked if owners could donate or raise the money to purchase the beach mats?

Comment: Jimmy Sims, stated he don't have any objections to that.

Question: Jason Acree, (2154), asked about the future major repairs that are becoming due for 2024 and 2025? Can you tell us the items you plan to schedule for repair?

Answer: Jimmy Sims, stated that waterproofing of the building was resealed in 2019 with a 10-year warranty. After Hurricane Sally received a letter from the Insurance Company that the warranty was no longer valid because the building had been impacted. At this time, there are no specific scheduled repairs until we receive the money from the insurance. We resurfaced the hot tub at the same time Phoenix East resurfaced their hot tub and were able to receive a discount. Most of the items are based off the lifespan of the item. Money was set aside for these major repairs and after Hurricane Sally those funds had to be used for emergency repairs.

Comment: Jason Acree, (2154) looking at the budget and the major future repairs it seems there may be the need for some Special Assessments in the future if we're unable to settle with the insurance company.

Statement: Jimmy Sims, stated that there are repairs that are needed and if the funds are not received in the insurance settlement, then yes, there will have to be assessments to be able to take care of necessary items that must be addressed at the building.

Question: Owner asked if the board was going to be proactive regarding obtaining the additional Brett Robinson rental units needed in order to receive a credit on the budget.

Statement: Jimmy Sims stated there was not a specific plan at this time.

Question: Owner emailed Jimmy Sims asking if the board was aware of windows in stack 01 leaking?

Answer: Jimmy Sims, stated yes, the windows will be repaired or replaced once the insurance funds have been received and if no settlement is made, they will still need to be replaced. If there is a new or an on-going leak, please let Facilities know.

Question: Owner emailed Jimmy Sims asking if we could make sure that the door is open so the frame can be painted when the door is being painted?

Answer: Jimmy Sims stated facilities is in the process of painting unit doors and asked Scott to pass on to the maintenance workers to be sure that the door is open and the trim is all painted.

Question: Owner emailed Jimmy Sims concerning the lent on the floor outside of the unit.

Comment: Jimmy Sims, stated the stacks 01,02, and 03 that the dryers blow into the hall. Owners need to make sure that they are cleaning out the dryer vent.

Statement: Susan Morton, Board Director stated that due to the moisture build up and it causes the lent to build up and effects the dryer not drying the clothes all the way because of all the back pressure.

Statement: Ricky Johnson, Association Manager, stated there are companies that will come out clean the dryer vents.

Question: Owner emailed Jimmy Sims, asking if camera could be installed facing the elevators?

Answer: Jimmy Sims, stated that there are cameras in the elevators, which should indicate the floor when entering and exiting the elevator.

E. Trash Chute

- Boxes, A/C filters and pizza boxes should not be placed in the trash chutes. Doing so causes trash backups.

- If contractors are working in a unit, they should be hauling off any debris and should not be putting it down the trash chute. Facilities also needs to be notified if a contractor is going to be working in your unit. Please make sure that you acquire proof of insurance and workman comp insurance from your contractor. Should something happen, our association could be liable.

Question: Owner emailed Jimmy Sims asking if cameras could be installed on every floor to monitor the stairwell to make sure guest are not sneaking in pets?

Answer: Jimmy Sims, stated that owners are the only ones that should have pets at the building. There is a maximum amount of time that the cameras can store footage. Doing so may be cost prohibitive.

Question: Owner asked why the door to the dumpster room is always open?

Answer: Scott Lawson, Facilities Manager, stated that they try and keep it closed. The trash company comes and picks up the trash and doesn't shut it and others frequently open the door throughout the day.

F. Facebook Page

- Susan Morton is going to be creating and managing a Facebook Page for Owners only for Phoenix East II.
- It will be designed as a place where owners can ask questions.

Question: Owner asked if they could get more communication from the Board like a quarterly newsletter?

Answer: Jimmy Sims, yes was going to set up a reminder to do a quarterly owner update.

Question: Ashley Sullivan, (2123) asked if it was possible to get mid-year financial report?

Answer: Jimmy Sims, Board receives a monthly financial report and this maybe something the we can put in the quarterly report to owners.

Question: Lacie Brady, (2144), asked if could get access of all the minutes from the meetings?

Answer: Ricky Johnson, Association Manager, stated that they are posted on the Owner Portal in AppFolio under the minutes folder.

RATIFY ACTIONS OF 2024 BOARD

MOTION: *Jason Acree (2154) made a motion to ratify the actions of the 2024 Board. Ashley Sullivan (2123) seconded the motion. The motion carried unanimously.*

ADJOURNMENT

With no further business to discuss, President Sims adjourned the meeting at 12:23 PM.

Signed by:

Ashley Sullivan

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9/22/2025

APPROVED

Minutes 09-21-2024 eh

DATE

PHOENIX EAST II ASSOCIATION, INC.

Board of Directors Meeting

Monday, January 13, 2025 ~ 2:00 PM

Board Members in Attendance:

President: Jimmy Sims

Director: Ashley Sullivan

Vice President: Edward Robicheaux

Director: Jimmy Feeney

Secretary/Treasurer: Susan Morton

Gulf Corp Services Representatives in Attendance:

Ricky Johnson, Association Manager

Guest Speaker:

Steven Clement, AJ Gallagher Insurance

Victor Lovell, AJ Gallagher Insurance

CALL TO ORDER

President Jimmy Sims called the meeting to order at 2:00 PM via Zoom.

NEW BUSINESS

A. Insurance Renewal

- Discussed purchasing a 13-month policy to push the renewal date to February, providing more time to shop for the best coverage instead of rushing to finalized it within a week. This adjustment would increase the premium be \$12,000 but would significantly aid in renewal planning in the future.
- Insurance premium down \$50,000 from last year.
- Reviewed key consideration for insurance coverage with AJ Gallagher Insurance including:
 - Wind-driven rain coverage
 - Claim advocacy department
 - Pre-existing damage
 - 5% Named storm deductible.

MOTION: *Susan Morton made a motion to accept the 13-month policy with AJ Gallagher Insurance. Edward Robicheaux seconded the motion. Motion carried unanimously.*

Discussion: Board discussed and agreed to pay off the line of credit once the insurance proceeds were received to avoid accruing additional interest. Delaying further expenditures until there is a clearer understanding of costs associated with Hurricane Sally damage.

OLD BUSINESS

A. Signage:

- Board agreed on a 12x18 sign for the pool entry gate that states wristbands are required while on property.

ADJOURNMENT

With no further business to discuss, President Sims adjourned the meeting at 3:50 PM.

DocuSigned by:

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9/27/2025

Approved

Date

Minutes 1/13/2025 eh

PHOENIX EAST II ASSOCIATION, INC.**Board of Directors Meeting****Tuesday, August 12, 2025 ~ 2:30 PM****Board Members in Attendance:**

President: Susan Morton

Director: Ashley Sullivan

Vice President: Edward Robicheaux

Director: Jimmy Feeney (Absent)

Secretary/Treasurer: vacant

Gulf Corp Services Representatives in Attendance:

Ricky Johnson, Association Manager

Debbie Robinson, Association Accountant

Jamie Beyer, Association Accountant

CALL TO ORDER

President Susan Morton called the meeting to order at 2:30 PM via Zoom.

FINANCIAL REPORT

Shelia Fisher reviewed the July 2025 financial report:

A. Current Financial Summary:

Operating Funds: \$434,956

Capital Reserves: \$ 610,108

Cash on Hand: \$1,045,065

2025 July Revenue		2025 YTD Revenue	
Actual:	\$90,323	Actual:	\$1,069,029
Budgeted:	\$87,106	Budgeted:	\$1,052,667
Variance:	\$3,217	Variance:	\$16,361
2025 July Expenses		2025 YTD Expenses	
Actual	\$ 114,485	Actual	\$783,713
Budgeted:	\$124,346	Budgeted:	\$832,807
Variance:	\$9,861	Variance:	\$49,094)
Significant Expenses for Current Month: Purchase 2 Kaba Locks (1,020); Purchase Boardwalk Lumber (\$2,414); Repair Potholes/Exit Gate (\$680); 2065-2005/Water Event/6-14/Repair Sheetrock (\$600); 2065-2045/Water Event/6-14/Repair Sheetrock (\$675); 2041-2031/Water Event/7-04/Dry Out (\$475); 2121/Water Event/7-25/Sheetrock Repair (\$775)			

Debbie reviewed the income and expense statement and provided explanations for accounts over and under budget. July's financials reflect a positive change of \$65,000 against budgeted, attributed to lower insurance premium and increased parking pass revenue. The Association has a major waterproofing project scheduled for the fall, funded through the Capital Reserve at an estimated cost of \$550,000. Debbie also noted that the \$75,000 Capital Reserve Assessment will be due on October 1, 2025.

Delinquent Accounts: one account is 60 days past due. Certified letter has been sent to owner asking them to bring their account up to date.

OLD BUSINESS

A. All in Claims:

- Due to the ongoing water related incidents, the Board requested to be notified of each occurrence, along with any supporting documentation, in order to determine whether the issue was the result of negligence by a unit owner or their guest.
- All in Claims have cost the Associations thousands of dollars. The Board would like to evaluate whether some of these expenses may be reimbursed if negligence can be established.

B. Roof Membrane

- An issue was discovered with floating area and water beneath the roof membrane, requiring a warranty evaluation by RS Allen/Gecon.

NEW BUSINESS

A. 2026 Proposed Budget

- Board reviewed the proposed operating and capital reserve accounts for 2026, developed using comparative figures from the 2025 budget.
- Discussion included accounts that were over budget, upcoming contract renewals and new rates in order to make the necessary adjustments for the 2026 budget.
- The proposed budget includes:
 - A \$400,000 Capital Reserve Assessment due April 1, 2026
 - A \$547,580 Operating Assessment due January 1, 2026.
- Debbie Robinson, Accountant for Phoenix East II, is incorporating the agreed upon Board changes and will send an updated budget proposal to the Board for email approval.

B. Revenue/Contracts

- **Ike's Beach Services / Beach Concession Contact**
 - Presented a new three-year contract (2026-2028) with a \$20,000 guarantee or 25% of revenue, whichever is greater.
 - The Board agreed to move forward with the new contract with Ike's Beach Services.
- **SecureVision/Security Cameras**
 - Security Cameras would be included with the internet and cable contract with the new SecureVision contract.
 - The Association currently pays Navitas \$860/month. The Board will need to confirm whether there is a cancellation fee, as the Navitas contract was recently extended through 2028.
- **Association Management Fee**
 - Brett Robinson agreed to pay the Association Management fee, potentially saving the Association approximately \$24,000 annually.
 - Savings would be dependent on owner participation in converting non- Brett Robinson rentals.
- **VRPS License Plate Reader**
 - A new product, tested successfully at another facility.
 - It would eliminate the need for guest parking passes and owners hang tags.

- Security would be alerted if an unregistered vehicle entered the property.

C. Major Projects/Capital Reserve

- **Waterproofing Building**
 - Project scheduled to begin October 2025, and completion expected by November 2025.
 - Estimated cost of \$550,000, to be funded and reflected as a Capital Expenditure for the 2025 fiscal year.
- **Parking Lot**
 - Asphalt deterioration which will need to make sure is on the Boards radar to resurface.
- **Pool Loungers**
 - Replacement needed with 27 out of 50 chairs requiring replacement at an estimated \$16,000 for 40 Polywood chairs
- **Sliding Glass Door Assessment**
 - Board discussed reinstating the four-year door and window assessment of \$400,000 annually.
 - As referenced in the 2019 meeting minutes, this was placed on hold following Hurricane Sally, the Board had to focus on assessments to make repairs from storm damage.

ADJOURNMENT

With no further business to discuss, President Morton adjourned the meeting at 5:38 PM.

DocuSigned by:

Susan Morton

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9/27/2025

Approved

Minutes 8/12/2025 eh

Date

PHOENIX EAST II ASSOCIATION, INC.

Board of Directors Meeting

Friday, August 1, 2025 ~ 12:00 PM

Board Members in Attendance:

President: Vacant

Director: Ashley Sullivan

Vice President: Edward Robicheaux

Director: Jimmy Feeney

Secretary/Treasurer: Susan Morton

Gulf Corp Services Representatives in Attendance:

Ricky Johnson, Association Manager

CALL TO ORDER

Ricky Johnson called the meeting to order at 12:00 PM via Email.

NEW BUSINESS

A. Elect President to the Board of Directors

- Jimmy Sims sold his unit, creating a vacancy in the position of Board President.
- The remaining Board members considered and voted via email to appoint an acting President to serve until the Annual Meeting, at which time new officers will be elected by the Board.

Email Vote:

Ashley Sullivan – Yes

Edward Robicheaux – Yes

Jim Feeney - Yes

With the unanimous vote of the Board, Susan Morton was appointed as Acting President until the Annual Meeting scheduled for September.

ADJOURNMENT

With no further business to discuss, Ricky Johnson adjourned the meeting at 12:10 PM.

DocuSigned by:

Susan Morton

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9/27/2025

Approved

Date

Minutes 8/1/2025 eh

PHOENIX EAST II ASSOCIATION, INC.
Board of Directors Meeting
Thursday, September 11, 2025 ~ 2:29 PM

Board Members in Attendance:

President: Susan Morton

Director: Ashley Sullivan

Vice President: Edward Robicheaux

Director: Jimmy Feeney

Secretary/Treasurer: Vacant

Gulf Corp Services Representatives in Attendance:

Ricky Johnson, Association Manager

CALL TO ORDER

Susan Morton called the meeting to order at 12:00 PM via Email.

NEW BUSINESS

A. Proposed 2026 Budget

- Board met to review the requested changes for 2026 Proposed Budget.

MOTION: Edward Robicheaux made a motion to approve the 2026 Proposed Budget as presented. Ashley Sullivan seconded the motion. Motion passed unanimously.

Email Vote:

Ashley Sullivan – Yes

Edward Robicheaux – Yes

Jim Feeney – Yes

Susan Morton - Yes

ADJOURNMENT

With no further business to discuss, Ricky Johnson adjourned the meeting.

DocuSigned by:

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Approved

Minutes 9/11/2025 eh

9/27/2025

Date

Balance Sheet

Properties: Phoenix East II Association Inc - P.O. Box 1339 Gulf Shores, AL 36547

As of: 01/31/2026

Accounting Basis: Accrual

GL Account Map: PE2 - Phoenix East II Association

Level of Detail: Detail View

Include Zero Balance GL Accounts: No

Account Number	Account Name	Balance
ASSETS		
Cash		
OPERATING CASH		
1001	Columbia Bank 0232	63,652.07
1011	Smart Bank 8100- 3.33%	250,629.57
1013	Origin Bank 25 Ins Asmt 6967- 3.05%	249,353.06
1015	CD CMTY EMC 7448 6/16/26- 1.74%	1,000.00
Total OPERATING CASH		564,634.70
RESERVE CASH		
2601	Columbia Bank 25 CR Asmt 0231- .25%	20,018.62
2607	ICS Servis1st Bank 1660- 2.63%	109,179.57
2630	Bank Plus Hybrid 0520 26 CR Asmt- 4.30%	498,429.36
Total RESERVE CASH		627,627.55
Total Cash		1,192,262.25
CURRENT ASSETS		
1030	Accounts Receivable	17,601.16
2020	Prepaid Insurance	12,630.79
2021	Prepaid Expenses - Other	9,881.49
Total CURRENT ASSETS		40,113.44
FIXED ASSETS		
2400	Furniture & Equipment	25,556.95
2500	Accumulated Depreciation	-24,445.57
Total FIXED ASSETS		1,111.38
TOTAL ASSETS		1,233,487.07
LIABILITIES & CAPITAL		
Liabilities		
CURRENT LIABILITIES		
3010	Accounts Payable	53,757.55
3011	Accounts Payable - Accrued	4,400.00
4998	Prepaid Assessments	38,754.00
Total CURRENT LIABILITIES		96,911.55
LONG TERM LIABILITIES		
3200	Commitment Future CRF Project	122,372.65
Total LONG TERM LIABILITIES		122,372.65
Total Liabilities		219,284.20
Capital		
EQUITY		
4900	Fund Balance	354,789.76

Balance Sheet

Account Number	Account Name	Balance
4902	Contributed Capital- Owner	40,422.50
	Total EQUITY	395,212.26
	Calculated Retained Earnings	463,180.33
	Calculated Prior Years Retained Earnings	155,810.28
	Total Capital	1,014,202.87
	TOTAL LIABILITIES & CAPITAL	1,233,487.07

Annual Budget - Comparative

Properties: Phoenix East II Association Inc - P.O. Box 1339 Gulf Shores, AL 36547

As of: Jan 2026

Additional Account Types: None

Accounting Basis: Accrual

GL Account Map: PE2 - Phoenix East II Association

Level of Detail: Detail View

MTD Actual	MTD Budget	MTD \$ Var.	Account Number	Account Name	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
Income								
62,908.00	62,908.00	0.00	5010	Condo Fee Monthly Dues	62,908.00	62,908.00	0.00	754,896.00
547,580.00	547,580.00	0.00	5025	2026 Operating Assessment	547,580.00	547,580.00	0.00	547,580.00
1,344.87	1,083.33	261.54	5030	Interest Income	1,344.87	1,083.33	261.54	13,000.00
43.46	5.00	38.46	5050	Vending Machine Income	43.46	5.00	38.46	1,400.00
0.00	0.00	0.00	5070	Beach Concession Income	0.00	0.00	0.00	20,000.00
1,208.21	1,316.00	-107.79	5075	Service Fee Income	1,208.21	1,316.00	-107.79	126,154.00
463.05	83.33	379.72	5130	Late Charges	463.05	83.33	379.72	1,000.00
613,547.59	612,975.66	571.93		Total Operating Income	613,547.59	612,975.66	571.93	1,464,030.00
Expense								
1 - LABOR								
16,267.68	17,275.00	1,007.32	7011	Facility Labor	16,267.68	17,275.00	1,007.32	174,540.00
7,126.61	6,779.00	-347.61	7040	Security Labor	7,126.61	6,779.00	-347.61	95,751.00
969.43	1,333.33	363.90	7045	Security Camera Lease	969.43	1,333.33	363.90	16,000.00
24,363.72	25,387.33	1,023.61		Total 1 - LABOR	24,363.72	25,387.33	1,023.61	286,291.00
2 - UTILITIES								
2,332.68	2,439.00	106.32	7120	Water	2,332.68	2,439.00	106.32	51,000.00
2,016.00	2,016.00	0.00	7130	Sewer	2,016.00	2,016.00	0.00	24,192.00
3,882.07	3,925.00	42.93	7140	Electricity	3,882.07	3,925.00	42.93	41,500.00
1,170.00	1,170.00	0.00	7150	Garbage Service	1,170.00	1,170.00	0.00	14,040.00
9,400.75	9,550.00	149.25		Total 2 - UTILITIES	9,400.75	9,550.00	149.25	130,732.00
3 - CABLE & INTERNET								
4,867.20	5,000.00	132.80	7160	Cable TV	4,867.20	5,000.00	132.80	60,000.00
4,867.20	5,000.00	132.80		Total 3 - CABLE & INTERNET	4,867.20	5,000.00	132.80	60,000.00
4 - INSURANCE								
1,544.75	1,545.00	0.25	7320	Flood Insurance	1,544.75	1,545.00	0.25	20,165.00
25,137.56	51,484.00	26,346.44	7330	Multi-Risk Insurance	25,137.56	51,484.00	26,346.44	617,803.00
26,682.31	53,029.00	26,346.69		Total 4 - INSURANCE	26,682.31	53,029.00	26,346.69	637,968.00
5 - MAINTENANCE								
0.00	133.33	133.33	7500	Annual Roof Maintenance	0.00	133.33	133.33	1,600.00
1,515.80	1,533.33	17.53	7510	Elevator Maintenance Contract	1,515.80	1,533.33	17.53	18,400.00

Annual Budget - Comparative

MTD Actual	MTD Budget	MTD \$ Var.	Account Number	Account Name	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
9,339.88	233.33	-9,106.55	7515	Excess Elevator Maintenance	9,339.88	233.33	-9,106.55	2,800.00
621.83	525.08	-96.75	7520	Pest Control Contract	621.83	525.08	-96.75	6,301.00
1,530.00	1,020.00	-510.00	7526	Kaba Lock Monitoring Fee/ Supplies	1,530.00	1,020.00	-510.00	4,968.00
1,735.34	1,041.67	-693.67	7540	Fire Protection	1,735.34	1,041.67	-693.67	12,500.00
416.63	250.00	-166.63	7555	Grinder Pump Maintenance	416.63	250.00	-166.63	3,000.00
0.00	125.00	125.00	7560	Domestic Water Pump Maint	0.00	125.00	125.00	1,500.00
0.00	157.50	157.50	7565	Diesel Generator	0.00	157.50	157.50	1,890.00
574.94	83.33	-491.61	7570	Lawn Sprinkler System Maint.	574.94	83.33	-491.61	1,000.00
0.00	416.67	416.67	7575	Air Conditioner Maintenance	0.00	416.67	416.67	5,000.00
2,206.00	2,316.33	110.33	7580	Lawn Maintenance	2,206.00	2,316.33	110.33	27,796.00
0.00	50.00	50.00	7581	Excess Lawn Maintenance	0.00	50.00	50.00	600.00
74.20	258.33	184.13	7585	Painting Supplies	74.20	258.33	184.13	3,100.00
3,780.91	3,333.33	-447.58	7590	General Maintenance	3,780.91	3,333.33	-447.58	40,000.00
0.00	41.67	41.67	7591	Floor Scrubber	0.00	41.67	41.67	500.00
0.00	133.33	133.33	7593	Luggage Carts	0.00	133.33	133.33	1,600.00
770.09	416.67	-353.42	7594	Window Glass/ Door Replacement	770.09	416.67	-353.42	5,000.00
0.00	379.17	379.17	7595	Asphalt/Drainage Repair	0.00	379.17	379.17	4,550.00
0.00	104.17	104.17	7597	Automatic Lobby Door	0.00	104.17	104.17	1,250.00
0.00	41.67	41.67	7598	Lobby Furnishings	0.00	41.67	41.67	500.00
22,565.62	12,593.91	-9,971.71		Total 5 - MAINTENANCE	22,565.62	12,593.91	-9,971.71	143,855.00
				6 - POOL				
406.78	916.67	509.89	7710	Pool Chemicals	406.78	916.67	509.89	11,000.00
0.00	283.33	283.33	7711	Pool Furniture	0.00	283.33	283.33	3,400.00
533.22	525.00	-8.22	7713	Pool Licenses	533.22	525.00	-8.22	525.00
0.00	291.67	291.67	7714	Jacuzzi	0.00	291.67	291.67	3,500.00
281.70	833.33	551.63	7715	Pool Maintenance	281.70	833.33	551.63	10,000.00
0.00	208.33	208.33	7716	Splash Pad/ Shared	0.00	208.33	208.33	2,500.00
1,221.70	3,058.33	1,836.63		Total 6 - POOL	1,221.70	3,058.33	1,836.63	30,925.00
				7 - OTHER				
0.00	0.00	0.00	7720	Professional Services	0.00	0.00	0.00	7,193.00
2,016.00	2,016.00	0.00	7725	Management Fees	2,016.00	2,016.00	0.00	24,192.00
465.65	892.50	426.85	7730	Custodial Supplies	465.65	892.50	426.85	10,710.00
0.00	50.00	50.00	7735	Fitness Room/ Equipment	0.00	50.00	50.00	600.00
103.97	210.75	106.78	7740	Office Supplies	103.97	210.75	106.78	2,529.00
0.00	125.00	125.00	7741	Signs	0.00	125.00	125.00	1,500.00

Annual Budget - Comparative

MTD Actual	MTD Budget	MTD \$ Var.	Account Number	Account Name	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
150.24	83.33	-66.91	7743	Lighting-Bulbs/ Fixtures/Exterior	150.24	83.33	-66.91	1,000.00
0.00	218.75	218.75	7744	Wristbands	0.00	218.75	218.75	2,625.00
19.95	6.25	-13.70	7745	Bank Charges	19.95	6.25	-13.70	75.00
0.00	20.83	20.83	7760	Tennis/ Racquetball Courts	0.00	20.83	20.83	250.00
353.81	265.42	-88.39	7765	Plants Inside	353.81	265.42	-88.39	3,185.00
0.00	0.00	0.00	7770	Uniforms	0.00	0.00	0.00	1,935.00
130.61	22.92	-107.69	8100	Taxes and License	130.61	22.92	-107.69	275.00
0.00	0.00	0.00	8400	Depreciation	0.00	0.00	0.00	1,500.00
3,300.00	2,916.67	-383.33	8530	All-in-Claims	3,300.00	2,916.67	-383.33	35,000.00
100.00	395.67	295.67	8700	Service Fee Passes	100.00	395.67	295.67	4,748.00
0.00	0.00	0.00	8800	Christmas Decorations	0.00	0.00	0.00	250.00
6,640.23	7,224.09	583.86		Total 7 - OTHER	6,640.23	7,224.09	583.86	97,567.00
95,741.53	115,842.66	20,101.13		Total Operating Expense	95,741.53	115,842.66	20,101.13	1,387,338.00
613,547.59	612,975.66	571.93		Total Operating Income	613,547.59	612,975.66	571.93	1,464,030.00
95,741.53	115,842.66	20,101.13		Total Operating Expense	95,741.53	115,842.66	20,101.13	1,387,338.00
517,806.06	497,133.00	20,673.06		NOI - Net Operating Income	517,806.06	497,133.00	20,673.06	76,692.00
Other Income								
CAPITAL RESERVE INCOME								
1,579.02	0.00	1,579.02	6008	Capital Reserve Interest Income	1,579.02	0.00	1,579.02	0.00
1,579.02	0.00	1,579.02		Total CAPITAL RESERVE INCOME	1,579.02	0.00	1,579.02	0.00
0.00	0.00	0.00	6026	2026 Capital Reserve Assessment	0.00	0.00	0.00	400,000.00
1,579.02	0.00	1,579.02		Total Other Income	1,579.02	0.00	1,579.02	400,000.00
Other Expense								
CAPITAL EXPENDITURES								
26,204.75	0.00	-26,204.75	9000	Capital Expenditures	26,204.75	0.00	-26,204.75	0.00
26,204.75	0.00	-26,204.75		Total CAPITAL EXPENDITURES	26,204.75	0.00	-26,204.75	0.00
HURRICANE EXPENSES								
30,000.00	0.00	-30,000.00	9011	Hurricane Repairs - Wind	30,000.00	0.00	-30,000.00	0.00
30,000.00	0.00	-30,000.00		Total HURRICANE EXPENSES	30,000.00	0.00	-30,000.00	0.00
56,204.75	0.00	-56,204.75		Total Other Expense	56,204.75	0.00	-56,204.75	0.00

Annual Budget - Comparative

MTD Actual	MTD Budget	MTD \$ Var.	Account Number	Account Name	YTD Actual	YTD Budget	YTD \$ Var.	Annual Budget
-54,625.73	0.00	-54,625.73		Net Other Income	-54,625.73	0.00	-54,625.73	400,000.00
615,126.61	612,975.66	2,150.95		Total Income	615,126.61	612,975.66	2,150.95	1,864,030.00
151,946.28	115,842.66	-36,103.62		Total Expense	151,946.28	115,842.66	-36,103.62	1,387,338.00
<u>463,180.33</u>	<u>497,133.00</u>	<u>-33,952.67</u>		Net Income	<u>463,180.33</u>	<u>497,133.00</u>	<u>-33,952.67</u>	<u>476,692.00</u>

PHOENIX EAST II ASSOCIATION 2026 APPROVED BUDGET

Acct #	Account Name	2023 Final	2024 Final	2025 Approved Budget	2025 Anticipated Final	2026 Approved Budget
5010	Condo Fee Monthly Dues	659,400	659,400	754,973	754,896	754,896
5016	Insurance Assessment	388,272	597,360	550,000	547,580	0
5023	Operating Assessment	0	0	0	0	547,580
5030	Interest Income	8,240	14,028	0	14,707	13,000
5050	Vending Machine Income	1,380	1,530	1,000	1,496	1,400
5070	Beach Concession Income	14,429	14,464	14,000	13,376	20,000
5075	Service Fee Income	124,642	131,652	120,000	135,000	126,154
5130	Late Charges	555	1,761	500	1,338	1,000
	TOTAL REVENUE	1,196,919	1,420,195	1,440,473	1,468,392	1,464,030
7011	Facility Labor	152,661	150,792	158,274	163,482	174,540
7040	Security Labor	84,430	91,000	89,432	88,857	96,201
7045	Security Camera Lease	12,496	19,132	11,633	15,645	16,000
7120	Water	38,458	46,971	70,544	50,000	51,000
7130	Sewer	24,192	24,192	24,194	24,192	24,192
7140	Electricity	38,253	41,758	56,500	40,755	41,500
7150	Garbage Service	14,040	14,180	14,040	14,040	14,040
7160	Cable TV/Internet/Phones	55,071	57,141	58,950	59,060	60,000
7320	Flood Insurance	12,795	14,654	16,733	17,235	20,165
7330	Multi-Risk Insurance	471,306	639,823	639,833	618,761	617,803
7500	Annual Roof Maintenance	0	0	1,500	1,500	1,600
7510	Elevator Maintenance Contract	16,910	16,956	17,459	17,597	18,400
7515	Excess Elevator Maintenance	460	4,092	3,200	2,460	2,800
7520	Pest Control Contract	6,319	6,203	6,500	6,250	6,301
7526	Kaba Lock Monitoring Fee/Supplies	4,008	6,285	4,100	4,739	4,968
7540	Fire Protection	7,672	11,434	10,800	19,990	12,500
7555	Grinder Pump Maintenance	12,541	810	3,000	3,252	3,000
7560	Domestic Water Pump Maint	0	4,296	1,500	1,500	1,500
7565	Diesel Generator	987	370	3,600	486	1,890
7570	Lawn Sprinkler System Maint.	882	610	1,000	1,000	1,000
7575	Air Conditioner Maintenance	3,265	2,200	4,200	4,700	5,000
7580	Lawn Maintenance	25,210	25,210	26,470	26,472	27,796
7581	Excess Lawn Maintenance	600	0	1,000	600	600
7585	Painting Supplies	504	2,706	2,000	3,100	3,100
7590	General Maintenance	33,312	30,417	38,000	38,890	40,000
7591	Floor Scrubber	295	0	500	500	500
7593	Luggage Carts	0	0	1,000	1,600	1,600
7594	Window Glass/Door Replacement	5,552	5,009	3,000	4,895	5,000
7595	Asphalt/Drainage Repair	3,550	3,550	3,550	4,550	4,550
7597	Automatic Lobby Door	0	693	1,250	500	1,250
7598	Lobby Furnishings	0	255	500	500	500
7710	Pool Chemicals	10,479	9,055	13,000	11,000	11,000
7711	Pool Furniture	808	5,129	3,435	3,400	3,400

PHOENIX EAST II ASSOCIATION

2026 APPROVED BUDGET

Acct #	Account Name	2023 Final	2024 Final	2025 Approved Budget	2025 Anticipated Final	2026 Approved Budget
7713	Pool Licenses	652	525	525	525	525
7714	Jacuzzi	233	4,641	3,500	2,000	3,500
7715	Pool Maintenance	14,376	3,583	10,000	10,000	10,000
7716	Splash Pad/ Shared PE	2,602	2,002	2,500	2,500	2,500
7720	Professional Services	6,830	6,652	6,489	6,850	7,193
7725	Management Fees	21,600	21,600	24,192	24,192	24,192
7730	Custodial Supplies	10,352	10,229	10,500	10,200	10,710
7735	Fitness Room/Equipment	366	146	500	500	600
7740	Office Supplies	2,787	2,077	1,300	2,313	2,529
7741	Signs	2,628	263	1,500	1,472	1,500
7742	Owners' Dinner/Annual Meeting	726	611	726	0	0
7743	Lighting-Bulbs/Fixtures/Exterior	1,500	124	1,000	500	1,000
7744	Wristbands	1,894	1,672	2,500	2,503	2,625
7745	Bank Charges	759	17	0	74	75
7760	Tennis/Racquetball Courts	106	356	500	250	250
7765	Plants Inside	2,951	3,024	3,107	3,100	3,185
7770	Uniforms	1,644	1,674	1,740	1,843	1,935
8000	Interest Expense	46,449	47,179	47,832	1,480	0
8100	Taxes and License	65	96	100	281	275
8400	Depreciation	3,651	1,508	0	1,500	1,500
8530	All-in-Claims	63,468	37,259	21,000	42,057	35,000
8700	Service Fee Passes	766	3,550	2,400	1,450	4,748
8800	Christmas Decorations	56	31	250	250	250
	TOTAL EXPENSES	1,223,513	1,383,739	1,432,858	1,367,348	1,387,788
	NET OPERATING PROFIT/ (LOSS)	-26,594	36,456	7,615	101,045	76,242
	CAPITAL RESERVE CONTRIBUTION	66,000		76,000	76,000	76,000
	CAPITAL RESERVE BALANCE @ 01/01	62,079	46,335	46,444		
6002	CAPITAL RESERVE / HURRICANE ASMT		22,814			
6008	CAPITAL RESERVE INTEREST	693	988		24,120	
6009	CAPITAL RESERVE ASSESSMENT	65,723		76,000	75,600	400,000
9000	CAPITAL EXPENDITURES	6,870	21,842		565,479	
	Grinder Pump		9,715			
	Condensing Unit		4,950			
	Lift Station Pump and Panel				6,509	
	Overhead Door for Trash Room				3,675	
	Mediation Services Sally Claim				5,295	
	Waterproofing of the building's vertical surfaces				550,000	
	Other	6,870	7,177			
	CAPITAL RESERVE BALANCE @ 12/31	46,335	46,444	122,444		
6015	HURRICANE INSURANCE PROCEEDS				2,800,000	
9011	HURRICANE DAMAGE-WIND	86,175	2,358		1,750,000	



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/11/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, LLC 111 Veterans Memorial Blvd., Ste. 1130, Metairie LA 70005		CONTACT NAME: Callie Davis PHONE (A/C, No, Ext): 504-581-3334 E-MAIL ADDRESS: callie_davis@ajg.com		FAX (A/C, No): 504-587-0766
INSURED Phoenix East II Association, Inc. 27120 Perdido Beach Blvd Orange Beach AL 36561		INSURER(S) AFFORDING COVERAGE		NAIC #
PHOEAS-06		INSURER A: Northfield Insurance Company		27987
		INSURER B: Midvale Indemnity Company		27138
		INSURER C: Wesco Insurance Company		25011
		INSURER D: The Travelers Indemnity Company of CT		25682
		INSURER E: StarNet Insurance Company		40045
		INSURER F:		

COVERAGES**CERTIFICATE NUMBER:** 941586563**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:			WS636881	1/15/2025	1/15/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	☐ AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			WS636881	1/15/2025	1/15/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	☐ UMBRELLA LIAB ☒ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION \$			PRP229824000012643701	1/15/2025	1/15/2026	EACH OCCURRENCE \$ 15,000,000 AGGREGATE \$ 15,000,000 \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N ☐	N / A	WWC3757223	1/15/2025	1/15/2026	PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
E D A	Directors and Officers Liability Equipment Breakdown Crime			QDO000057400 BME14X898171TCT25 WS636881	1/15/2025 1/15/2025 1/15/2025	1/15/2026 1/15/2026 1/15/2026	per policy year 2,000,000 T.L. per Breakdown \$3,924,163 per occurrence 25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

Certificate Holder

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
2/11/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

PRODUCER Arthur J. Gallagher Risk Management Services, LLC 111 Veterans Memorial Blvd., Ste. 1130, Metairie LA 70005	CONTACT NAME: Callie Davis	
	PHONE (A/C. No. Ext): 504-619-5079	FAX (A/C. No): 504-587-0766
INSURED Phoenix East II Association, Inc. P. O. Box 1339 Gulf Shores AL 36547	E-MAIL ADDRESS: callie_davis@ajg.com	
	PRODUCER CUSTOMER ID: PHOEEAS-06	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: AXIS Surplus Insurance Company	
	INSURER B: Endurance American Specialty Ins Co	
	INSURER C: Landmark American Insurance Company	
	INSURER D: James River Insurance Company	
	INSURER E:	
	INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 828771237

REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE		POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
A B C D	☒	PROPERTY	P00100126916601	1/15/2025	2/15/2026	☒ BUILDING	\$ 20,000,000
		CAUSES OF LOSS	ESP30077618900	1/15/2025	2/15/2026	☒ PERSONAL PROPERTY	\$ 100,000
		DEDUCTIBLES	LHD948780	1/15/2025	2/15/2026	BUSINESS INCOME	\$
		BASIC	001264903	1/15/2025	2/15/2026	EXTRA EXPENSE	\$
		BROAD				RENTAL VALUE	\$
	☒	SPECIAL				BLANKET BUILDING	\$
		EARTHQUAKE				BLANKET PERS PROP	\$
	☒	WIND				BLANKET BLDG & PP	\$
		FLOOD					\$
							\$
	☐	INLAND MARINE	TYPE OF POLICY				\$
		CAUSES OF LOSS					\$
		NAMED PERILS	POLICY NUMBER				\$
	☐	CRIME					\$
		TYPE OF POLICY					\$
	☐	BOILER & MACHINERY / EQUIPMENT BREAKDOWN					\$
							\$
							\$

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Named Storm - 5% deductible, subject to a minimum of \$25,000 per occurrence.

Property coverage is layered:
EAF67201924 - \$3 Million part of \$10 Million
P00100126916601 - \$3 Million part of \$10 Million
See Attached...

CERTIFICATE HOLDER

Certificate Holder

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Stephen H. Abbott

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**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY Arthur J. Gallagher Risk Management Services, LLC		NAMED INSURED Phoenix East II Association, Inc. P. O. Box 1339 Gulf Shores AL 36547
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 24 FORM TITLE: CERTIFICATE OF PROPERTY INSURANCE

SPECIAL CONDITIONS:

LHD948780 - \$4 Million part of \$10 Million
001264903 - \$10 Million in excess of \$10 Million

SELECTIVE

BE UNIQUELY INSURED®

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES LLC
111 VETERANS MEMORIAL BLVD STE 1130
METAIRIE, LA 70005-3039

Agency Phone: (504) 581-3334

NFIP Policy Number: 0002188955

Company Policy Number: FLD2188955

Agent:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES LLC

Payor: INSURED

Policy Term: 07/07/2025 12:01 AM - 07/07/2026 12:01 AM

Policy Form: RCBAP

To report a claim
visit or call us at:

<https://customer.myselectiveflood.com>
(877) 348-0552

RENEWAL FLOOD INSURANCE POLICY DECLARATIONS

NATIONAL FLOOD INSURANCE PROGRAM

DELIVERY ADDRESS

PHOENIX EAST II ASSN INC
PO BOX 1339
GULF SHORES, AL 36547-4009

INSURED NAME(S) AND MAILING ADDRESS

PHOENIX EAST II ASSN INC
PO BOX 1339
GULF SHORES, AL 36547-4009

COMPANY MAILING ADDRESS

Selective Ins Co of the Southeast
PO BOX 782747
PHILADELPHIA, PA 19178-2747

INSURED PROPERTY LOCATION

27120 PERDIDO BEACH BLVD
ORANGE BEACH, AL 36561-3267

RATING INFORMATION

BUILDING OCCUPANCY: RESIDENTIAL CONDOMINIUM BUILDING
NUMBER OF UNITS: 72 UNITS
PRIMARY RESIDENCE: NO
PROPERTY DESCRIPTION: SLAB ON GRADE (NON-ELEVATED), 3 FLOOR(S)
PRIOR NFIP CLAIMS: 0 CLAIM(S)

MORTGAGEE / ADDITIONAL INTEREST INFORMATION

FIRST MORTGAGEE:

SECOND MORTGAGEE:

ADDITIONAL INTEREST:

DISASTER AGENCY:

BUILDING DESCRIPTION: ENTIRE RESIDENTIAL CONDOMINIUM BUILDING

BUILDING DESCRIPTION DETAIL: N/A

REPLACEMENT COST VALUE: \$18,000,000.00

DATE OF CONSTRUCTION: 01/01/1997

CURRENT FLOOD ZONE: AE

FIRST FLOOR HEIGHT (FEET): 1.0

FIRST FLOOR HEIGHT METHOD: FEMA DETERMINED

LOAN NO: N/A

LOAN NO: N/A

LOAN NO: N/A

CASE NO: N/A

DISASTER AGENCY: N/A

RATE CATEGORY — RATING ENGINE

	COVERAGE	DEDUCTIBLE
BUILDING:	\$18,000,000	\$1,250
CONTENTS:	N/A	N/A

COVERAGE LIMITATIONS MAY APPLY. SEE YOUR POLICY FORM FOR DETAILS.

Please review this declaration page for accuracy. If any changes are needed, contact your agent.

Notes: The "FULL RISK PREMIUM" is for this policy term only. It is subject to change annually if there is any change in the rating elements. Your property's NFIP flood claims history can affect your premium, for questions please contact your agency. "MITIGATION DISCOUNTS" may apply if there are approved flood vents and/or the machinery & equipment is elevated appropriately. To learn more about your flood risk, please visit FloodSmart.gov/floodcosts.

COMPONENTS OF TOTAL AMOUNT DUE

BUILDING PREMIUM:	\$42,063.00
CONTENTS PREMIUM:	\$0.00
INCREASED COST OF COMPLIANCE (ICC) PREMIUM:	\$75.00
MITIGATION DISCOUNT:	(\$0.00)
COMMUNITY RATING SYSTEM REDUCTION:	(\$6,292.00)
FULL RISK PREMIUM:	\$35,846.00
ANNUAL INCREASE CAP DISCOUNT:	(\$21,755.00)
STATUTORY DISCOUNTS:	(\$0.00)
DISCOUNTED PREMIUM:	\$14,091.00
RESERVE FUND ASSESSMENT:	\$2,536.00
HFIAA SURCHARGE:	\$250.00
FEDERAL POLICY FEE:	\$1,660.00
PROBATION SURCHARGE:	\$0.00
TOTAL ANNUAL PREMIUM:	\$18,537.00

IN WITNESS WHEREOF, I have signed this policy below and enter in to this Insurance Agreement

Michael H. Lanza / Secretary

John Marchioni / Chairman, President & CEO

This declarations page along with the Standard Flood Insurance Policy Form constitutes your flood insurance policy.

Policy issued by: Selective Ins Co of the Southeast

Zero Balance Due - This Is Not A Bill

Insurer NAIC Number: 39926



File: 32026447

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